# MINUTES OF THE STANDING COMMITTEE ON TAX POLICY

Wednesday, November 29, 2006

8:45 A.M.

**Room 521 House Office Building** 

Chairman Sheen called the meeting to order.

**MEMBERS PRESENT:** Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (17/17) **MEMBERS ABSENT/EXCUSED:** None. (0/17)

**Representative Gosselin** moved to approve the minutes of the September 20, 2006 meeting. **Representative Hoogendyk** supported the motion. Without objection, the minutes were approved.

Chairman Sheen laid HB 6049 before the committee.

HB 6049 Caswell Property tax; other; requirement for an ordinance or resolution to

file a protest; revise.

Representative Bruce Caswell, sponsor of the legislation, testified before the committee.

**Bill Anderson**, representing the Michigan Townships Association, turned in a testimony card in support of **HB 6049** but did not wish to speak.

**Mickey Knight**, representing the Michigan Assessors Association, turned in a testimony card in support of **HB 6049** but did not wish to speak.

**Peggy Johnson**, representing the Michigan Department of Treasury, turned in a testimony card in support of **HB 6049** but did not wish to speak.

**Brian Westrin**, representing the Michigan Association of Realtors, turned in a testimony card with a neutral position on **HB 6049** but did not wish to speak.

Representative Gosselin moved to adopt the (H-1) substitute to HB 6049. Representative Bieda supported the motion.

#### **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (15/17)

Representative Gosselin moved to report HB 6049 as an (H-1) substitute, with recommendation. Representative Meyer supported the motion.

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (15/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Chairman Sheen laid HB 5717 before the committee.

HB 5717 Gonzales Property tax; delinquent taxes; funding for administration of tax-

reverted land process; establish.

Representative Lee Gonzales, sponsor of the legislation, testified before the committee.

**Peggy Johnson**, representing the Michigan Department of Treasury, testified before the committee in support of **HB 5717**.

**Representative Bieda** moved to adopt the following amendment to **HB 5717**. **Representative Bennett** supported the motion.

1. Amend page 3, line 9, after "LAND" by striking out "UTILIZATION" and inserting "REUTILIZATION".

#### **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

**Representative Rick Jones** moved to report **HB 5717** as an **(H-1)** substitute, with recommendation. **Representative Marleau** supported the motion.

#### **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

Chairman Sheen laid SB 387 before the committee.

SB 387 Patterson Single business tax; credit; lifetime learning expenses; provide for.

**Don Van Singel**, representing Daimler Chrysler, testified before the committee in support of **SB 387**.

**Peggy Johnson**, representing the Michigan Department of Treasury, turned in a testimony card in support of **SB 387** but did not wish to speak.

**Tom Hoisington**, representing General Motors, turned in a testimony card in support of **SB 387** but did not wish to speak.

Representative Bieda moved to adopt the (H-2) substitute to SB 387. Representative Gosselin supported the motion.

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Representative Gosselin moved to adopt the following amendment to SB 387 (H-2). Representative Bieda supported the motion.

1. Amend page 1, line 8, after "BEFORE" by striking out "JANUARY" and inserting "APRIL".

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

**Representative Gosselin** moved to report **SB 387** as an **(H-3)** substitute, with recommendation. **Representative Mayes** supported the motion.

#### **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Chairman Sheen laid SB 65 before the committee.

SB 65 Jelinek Property tax; exemptions; properties purchased and improved by

nonprofit housing development associations; provide a 2-year tax

exemption.

**Connie Burgess**, from Senator Ron Jelinek's office, testified before the committee in support of **SB 65**.

**Ken Bensen**, representing Habitat for Humanity of Michigan, testified before the committee in support of **SB 65**.

**Mickey Knight**, representing the Michigan Assessors Association, turned in a testimony card in support of **SB 65** but did not wish to speak.

**Dawn Crandall**, representing the Michigan Association of Home Builders, turned in a testimony card in support of **SB 65** but did not wish to speak.

**Senator elect Mark Jansen** turned in a testimony card in support of **SB 65** but did not wish to speak.

Representative Marleau moved to report SB 65, with recommendation. Representative Rick Jones supported the motion.

# **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Chairman Sheen laid HB 6386 and HB 6387 before the committee.

HB 6386 Taub Use tax; exemptions; certain professional and collegiate sporting

events; extend sunset on certain exemptions.

HB 6387 Taub Sales tax; exemptions; certain professional and collegiate sporting

events; extend sunset on certain exemptions.

Representative Shelley Taub, sponsor of the legislation, testified before the committee.

**Ryan Cannon**, representing the PGA of America, testified before the committee in support of **HB 6386** and **HB 6387**.

**John Morad**, representing the Oakland Hills PGA, turned in a testimony card in support of **HB** 6386 and **HB** 6387 but did not wish to speak.

**Peggy Johnson**, representing the Michigan Department of Treasury, turned in a testimony card in support of **HB 6386** and **HB 6387** in concept but did not wish to speak.

**Representative Meyer** moved to adopt the following amendment to **HB 6386**. **Representative Bennett** supported the motion.

1. Amend page 2, following line 19, by inserting:

"(E) A COLLEGIATE HOCKEY COMPETITION IN WHICH TEAMS COMPETE IN A POSTSEASON EVENT TO DETERMINE THE NATIONAL CHAMPION.".

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Representative Farrah moved to adopt the following amendment to HB 6386. Representative Gosselin supported the motion.

1. Amend page 2, line 20, after "January 1," by striking out "**2010**" and inserting "**2011**".

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

**Representative Gosselin** moved to report **HB 6386** as an **(H-1)** substitute, with recommendation. **Representative Palmer** supported the motion.

#### **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

**Representative Marleau** moved to adopt the following amendment to **HB 6387**. **Representative Rick Jones** supported the motion.

1. Amend page 2, following line 19, by inserting:

"(E) A COLLEGIATE HOCKEY COMPETITION IN WHICH TEAMS COMPETE IN A POSTSEASON EVENT TO DETERMINE THE NATIONAL CHAMPION.".

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

**Representative Gosselin** moved to adopt the following amendment to **HB 6387**. **Representative Hoogendyk** supported the motion.

1. Amend page 2, line 20, after "January 1," by striking out "**2010**" and inserting "**2011**".

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

**Representative Meyer** moved to report **HB 6387** as an **(H-1)** substitute, with recommendation. **Representative Bieda** supported the motion.

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

Chairman Sheen laid HB 6030 before the committee.

HB 6030 Walker Property tax; principal residence exemption; formula used to

calculate exemption for a bed and breakfast establishment; revise.

Representative Howard Walker, sponsor of the legislation, testified before the committee.

**Peggy Johnson**, representing the Michigan Department of Treasury, turned in a testimony card in support of **HB 6030** but did not wish to speak.

**Steve Yencich**, representing the Michigan Hotel, Motel and Resort Association, turned in a testimony card in support of **HB 6030** but did not wish to speak.

**Brian Westrin**, representing the Michigan Association of Realtors, turned in a testimony card with a neutral position on **HB 6030** but did not wish to speak.

**Mickey Knight**, representing the Michigan Assessors Association, turned in a testimony card in opposition to **HB 6030** but did not wish to speak.

Representative Gosselin moved to adopt the (H-1) substitute to HB 6030. Representative Marleau supported the motion.

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Representative Gosselin moved to report HB 6030 as an (H-1) substitute, with recommendation. Representative Mayes supported the motion.

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (16/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Chairman Sheen laid HB 6076 and HB 6077 before the committee.

HB 6076 Brown Sales tax; exemptions; materials affixed to a nonprofit hospital;

revise.

HB 6077 Brown Use tax; exemptions; materials affixed to a nonprofit hospital;

revise.

**Representative Rich Brown**, sponsor of the legislation, testified before the committee.

**Chester Pinterelli**, representing the iron County Medical Care Facility, turned in a testimony card in support of **HB 6076** and **HB 6077** but did not wish to speak.

**Ron Bosso**, representing the Iron County Medical Care Facility, turned in a testimony card in support of **HB 6076** and **HB 6077** but did not wish to speak.

**Ben Bodkin**, representing the Michigan Associating of Counties, turned in a testimony card in support of **HB 6076** and **HB 6077** but did not wish to speak.

**Rene Beniak**, representing the Michigan County Medical Care Facilities Council, turned in a testimony card in support of **HB 6076** and **HB 6077** but did not wish to speak.

**Shelley Jipson-Lomay**, representing the Michigan County Social Services Association, turned in a testimony card in support of **HB 6076** and **HB 6077** but did not wish to speak.

**Laura Appel**, representing the Michigan Hospital Association, turned in a testimony card in support of **HB 6076** and **HB 6077** but did not wish to speak.

Representative Bieda moved to adopt the (H-1) substitute to HB 6076. Representative Rick Jones supported the motion.

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (17/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

**Representative Drolet** moved to report **HB 6076** as an **(H-1)** substitute, with recommendation. **Representative Gosselin** supported the motion.

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (17/17)

Representative Gosselin moved to adopt the (H-1) substitute to HB 6077. Representative Bieda supported the motion.

## **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (17/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

**Representative Meyer** moved to report **HB 6077** as an **(H-1)** substitute, with recommendation. **Representative Marleau** supported the motion.

#### **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (17/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

#### Chairman Sheen laid HB 6626 before the committee

HB 6626 Stakoe Property tax; exemptions; tax exemption for senior housing when

property is rehabilitated by a limited dividend housing corporation;

provide for.

**Representative John Stakoe**, sponsor of the legislation, testified before the committee.

**Mark McDaniel**, representing the Great Lakes Capital Fund, testified before the committee in support of **HB 6626**.

**Adrian Cazal**, representing the Michigan Housing Council, turned in a testimony card in support of **HB** 6626 but did not wish to speak.

**Peggy Johnson**, representing the Michigan Department of Treasury, turned in a testimony card stating she had no position yet on **HB 6626**.

**Representative Bieda** moved to report **HB 6626**, with recommendation. **Representative Stakoe** supported the motion.

#### **FAVORABLE ROLL CALL:**

**YEAS:** Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Rick Jones, Marleau, Bieda, Farrah, Zelenko, Miller, Meisner, Bennett, Mayes. (17/17)

**NAYS:** None. (0/17) **PASS:** None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

There being no further business before the committee, **Chairman Sheen** declared the meeting adjourned, the time being 9:50 a.m.

Representative Fulton Sheen, Chair

Eric Esch, Committee Clerk (517) 373-0070